

**CHAPTER 5.01**  
**ESTABLISHING AND ABOLISHING FUNDS AND TRANSFERRING MONEY**

*5.01.01 Establishing and Abolishing Funds*

*5.01.02 Transferring Money*

**5.01.01 Establishing and Abolishing Funds**

The County Director of Finance is authorized to establish or abolish funds as specified in Government Code Section 25252.

**5.01.02 Transferring Money**

The County Director of Finance is authorized to transfer money from one fund to another if the Board of Supervisors has authority over each fund, as specified in Government Code Section 25252.

## **CHAPTER 5.02 OFFICIAL PRESS NUMBERED RECEIPTS**

*5.02.01 Finance Director Control*

*5.02.02 Completion and Issuance*

*5.02.03 Department Control*

*5.02.04 Deposit of Funds*

*5.02.05 Payment Handling Procedures*

### **5.02.01 Finance Director Control**

Official press numbered receipts, or other receipts approved by the County Finance Director, shall be used by all county departments which collect and receive fees or other money for the county. Such official receipts shall be furnished to each using department by the County Finance Director who shall maintain such control over the numbered receipts as he deems necessary.

### **5.02.02 Completion and Issuance**

An official receipt shall be issued by the receiving department at the time of receipt of the money. Each receipt shall be properly completed with required information, with a complete explanation of the purpose for which the money was received.

### **5.02.03 Department Control**

Official receipts issued to a department by the Finance Director shall be used in numerical order, and each receipt shall be accounted for. Spoiled official receipts shall be retained in the book except the copy to the Finance Director. All copies of a spoiled receipt shall be marked "Canceled".

### **5.02.04 Deposit of Funds**

All money received by a County department shall be deposited on the day received, or, if authorized by the Finance Director, at less frequent intervals.

### **5.02.05 Payment Handling Procedures**

A. Upon receipt of any checks, department personnel shall immediately restrictively endorse such checks. Upon receipt of any payment, department personnel shall issue a County pre-numbered receipt to the payer. All cash shall be put into a cash box.

B. At the end of the day, each department shall make a deposit to the County Treasury. All receipt numbers shall be recorded on the deposit permits. Also, a breakdown of the currency, coins and checks collected should be documented on the deposit permit. Cashing of personal checks is prohibited.

**CHAPTER 5.08  
DEPARTMENTAL ACCOUNTS  
AND RECORDS**

*5.08.01 Prescribed by Finance Director*

*5.08.02 Exceptions*

*5.08.03 Audits*

**5.08.01 Prescribed by Finance Director**

After review and consultation with the department head, the Finance Director shall prescribe the accounts and records which shall be maintained by the department. A basic cash journal shall be the minimum required accounting system maintained in each department of the County.

**5.08.02 Exceptions**

Certain departments (e.g., Justice Courts, Mental Health) have accounting procedures prescribed by law. These departments shall follow those prescribed accounting procedures.

**5.08.03 Audits**

Records and accounts maintained in each department shall be audited by the County Finance Director upon order of the Board.

## **CHAPTER 5.09 CHARTER OF THE INTERNAL AUDITOR**

- 5.09.01 Objective*
- 5.09.02 General Duties*
- 5.09.03 Standards*
- 5.09.04 Philosophy*
- 5.09.05 Authority*
- 5.09.06 Scope of Audits*
- 5.09.07 Professional Care*
- 5.09.08 Reports*
- 5.09.09 Overview*
- 5.09.10 Continuing Education*

### **5.09.01 Objective**

The overall objective of the Internal Auditor of the Department of Finance of the County of Glenn, is to assist all members of county management to effectively discharge their responsibilities by furnishing them with objective analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed. The audit objective includes promoting effective control at reasonable cost.

### **5.09.02 General Duties**

The Internal Auditor is responsible for financial, data processing and operational audits of all county departments, special districts, trust funds, monies on deposit in the county treasury and funds under the control of a county officer on deposit with an outside financial institution. Where the contract provides for audits by the county, audits shall be conducted of franchise holders, concessionaires and other similar agencies. In addition, the Internal Auditor shall conduct special investigations or reviews as may be requested by the Audit Committee, Board of Supervisors, or Department Heads.

### **5.09.03 Standards**

The Internal Auditor shall perform examinations in accordance with Generally Accepted Government Auditing Standards as required by Government Code Sections 1236 to 1239, 10529, and shall comply with the State Controller's minimum requirements in accordance with Section 26909.

### **5.09.04 Philosophy**

A philosophy of cooperative auditing shall be an integral part of the County of Glenn's internal audit program. The Internal Auditor shall acknowledge that the goals pursued by management and internal auditing are the same. The Internal Auditor shall strive toward a constructive partnership with management that will result in significant improvements in control, efficiency and communications.

### **5.09.05 Authority**

The Internal Auditor functions under the statutory authority of the Finance Director. The organizational status of the Internal Auditor shall be sufficient to gain the cooperation of the auditees and to perform audit work free from interference. The Internal Auditor shall have access to all county records, personnel and properties required to carry out audit responsibilities. Access to the above records, personnel, and properties shall be subject to applicable laws and regulations.

### **5.09.06 Scope of Audits**

The scope of internal auditing encompasses the examination and evaluation of the adequacy and effectiveness of the county's system of internal control and the quality of performance in carrying out assigned responsibilities. The scope of internal auditing includes the following:

A. Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information.

B. Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports, and determining whether the department is in compliance.

- C. Reviewing the means of safeguarding assets and, as appropriate verifying the existence of such assets.
- D. Appraising the economy and efficiency with which resources are employed.
- E. Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.

**5.09.07 Professional Care**

The Internal Auditor shall exercise due professional care in performing audits. In exercising due professional care, the Internal Auditor should be alert to the possibility of wrongdoing, errors and omissions, inefficiency, waste, ineffectiveness and conflicts of interest.

**5.09.08 Reports**

The Internal Auditor shall discuss audit findings and recommendations at appropriate levels of management before issuing final written reports. All final reports will include the responses from the Department Heads. Written reports should be objective, clear, concise, constructive and timely. Upon approval of the Finance Director, written reports shall be distributed simultaneously to the auditee, the Board of Supervisors and the Audit Committee. If conflicts exist on the distribution of the report between the Director of Finance and the Internal Auditor, the report shall be submitted to the Audit Committee for determination of distribution.

**5.09.09 Overview**

Under the general supervision of the Finance Director, the Internal Auditor shall ensure that the audit work fulfills the general purposes and responsibilities approved by the Audit Committee and accepted by the Board of Supervisors. The Internal Auditor shall establish audit work schedules and provide frequent status reports. Audit programs should be developed for each activity reviewed. An Audit Policy and Procedures Manual should be developed to ensure long range continuity of the internal audit function. The Internal Auditor shall cooperate with, and assist as directed, all outside auditors, including those representing the County Grand Jury.

**5.09.10 Continuing Education**

The Internal Auditor shall strive to maintain and further technical competence through continuing education and participation in professional associations.

**CHAPTER 5.10**  
**PROPERTY ACCOUNTABILITY**  
**AND SALE**

- 5.10.01 Department Head Accountability*
- 5.10.02 Annual Statement*
- 5.10.03 Disposition of Property*
- 5.10.04 Capital Assets*
- 5.10.05 Inventory Number*
- 5.10.06 Transfer to Other Department*
- 5.10.07 Auditor Check*

**5.10.01 Department Head Accountability**

A. Each department head shall be personally accountable for all property purchased for use in and for his or her department. Procedures and methods for tracking property shall be at the discretion of the department head, except for capital assets as defined in section 5.10.04.

B. Upon discovery of shortages of County funds or property:

1. All County Departments and special districts will report the shortage to the Director of Finance within three working days of the discovery of the shortage by the department.
2. For losses of \$100 or less, including cash and checks, the Director of Finance, after review of the events surrounding the shortage, may replenish the shortage. The Director shall render a written report and give an accounting to the Board for all such shortages replenished on an annual basis.
3. For losses of over \$100, including cash and checks, the Director of Finance shall investigate the shortage and issue a report to the board with approval or disapproval of the coverage within 45 days of the loss, and the board may order the replenishment of the shortage.
4. When proof of theft or fraud is noted during the review, the Director of Finance shall notify the appropriate law enforcement agency immediately.

**5.10.02 Annual Statement**

An affidavit shall be filed in the office of the County Finance Director annually, not later than the 10th day of July, showing in detail all capital assets as defined in Section 5.10.04 in the possession or in the charge of the department head at the close of business on the preceding June 30th.

**5.10.03 Disposition of Property**

A. No property, supplies or equipment which is purchased by the County shall be sold or otherwise disposed of except as authorized in this section.

1. Capital assets as defined in Section 5.10.04:
  - a. Only the County Auction Manager, as described in the Glenn County job description of Fleet Operations Manager, may dispose of capital assets.
  - b. Capital assets must be transferred to the County Auction Manager using the capital asset transfer form in order for the Manager to dispose of the asset.
  - c. When a capital asset is found to be obsolete or surplus to a department's needs, that asset should be offered to other county departments.
  - d. Capital assets must be transferred from one department to another department using capital asset transfer forms available from the Department of Finance.
  - e. If no other county departments indicate they can use the property, the County Auction Manager shall be contacted for transporting to the surplus property storage location.
  - f. All sensitive information must be purged from any electronic equipment before any transfer. All hard drives must be destroyed before transfer to the Auction Manager.
2. Other Property
  - a. Only the County Auction Manager, as described in the Glenn County job description of Fleet Operations Manager, may dispose of or grant permission to dispose of county property.

- b. Other property is defined as items not considered as capital assets and includes furniture, small tools and equipment, and supplies.
- c. Other property that is obsolete or surplus to a department's needs should be offered to other county departments.
- d. Transferring of other property from one department to another only requires consent of both departments.
- e. If no other county departments indicate they can use the property, the County Auction Manger should be contacted for either transporting to the surplus property storage location or for authority to discard.
- f. Department heads may use their own discretion regarding disposal when value of items is nominal (less than \$100).
- g. All sensitive information must be purged from any electronic equipment before any transfer. All hard drives must be destroyed before transfer to the Auction Manager.

B. The County Auction Manager may prepare from time to time as needed a list of capital assets and other county property proposed to be placed in the county auction. He shall submit such list to the Board of Supervisors for approval prior to the time of the auction.

C. The County Auction Manger shall hold county auctions as needed to sell surplus county property. The net proceeds of the auction shall be paid into the county treasury as required by Government Code §25504. Net proceeds of vehicle sales shall be credited to the vehicle replacement fund. Additionally, any instruction from original funding sources regarding net proceeds shall apply. Special districts may participate in county auctions as allowed by Government Code §25505 and the net proceeds of the sale of those items shall be paid into the treasury of the district.

D. Net proceeds will consist of the gross proceeds of the auction less any costs of the auction and any disposition costs of items not sold.

E. The County Auction Manager shall prepare and certify a "Disposition of County Property Form" for any capital assets which are actually sold at the county auction or otherwise disposed of and transmit a copy of this form to the Department of Finance.

#### **5.10.04 Capital Assets**

Capital assets, including property (land), plant (buildings and improvements), equipment (vehicles, computers, and office equipment) with a value of \$5,000 or more, and infrastructure (streets, roads, bridges) with a value of \$25,000 or more.

Capital assets, other than infrastructure, having a useful life of three years or more and a cost or value of \$5,000 or more, shall be assigned an official inventory number by the Director of Finance and shall be depreciated based on its estimated useful life.

Infrastructure items having a cost or value of \$25,000 or more per project and an estimated useful life of 40 years or more, shall be assigned an official inventory number by the Director of Finance and shall be depreciated based on a useful life of 40 years.

Capitalized expenditures materially add to the value or life of property. Capitalized expenditures of \$5,000 or more shall be added to the value of the property and depreciated over the estimated remaining life of the property.

Maintenance and repairs neither add to the value or life of property and shall not be added to the value of the property.

#### **5.10.05 Inventory Number**

When a capital asset is authorized to be sold, the official inventory number assigned to it shall be reported to the County Finance Director immediately after the proceeds from the sale have been deposited.

#### **5.10.06 Transfer to Other Department**

Equipment no longer needed by one County department but needed by another may be transferred to the other department. Forms may be obtained from the County Finance Director for use in such transfer.

#### **5.10.07 Auditor Check**

The County Finance Director shall periodically make a physical check of the official inventory listed by County departments as being in the department.

## **CHAPTER 5.11 CHARTER OF THE AUDIT COMMITTEE**

- 5.11.01 Committee Membership*
- 5.11.02 Objectives*
- 5.11.03 General Responsibilities*
- 5.11.04 Philosophy*
- 5.11.05 Authority*
- 5.11.06 Professional Care*
- 5.11.07 Meetings*
- 5.11.08 Minutes*

### **5.11.01 Committee Membership**

The Audit Committee shall be made up of the Chairman and Vice-Chairman from the Glenn County Board of Supervisors and the Director of Finance (who will be the Chairperson of the Committee). In addition, the Board of Supervisors shall appoint one Appointed Department Head, one Elected Department Head, and one Private Citizen to sit on the Committee for an unspecified period of time. The Committee will operate under the mandates of the Brown Act.

### **5.11.02 Objectives**

The overall objective of the Audit Committee of the County of Glenn is to function as a liaison between the Board of Supervisors, Finance Director, and the Internal Auditor. In addition, it is the objective of the Audit Committee to promote the function and benefits of the Internal Auditor to the County.

### **5.11.03 General Responsibilities**

The Audit Committee's responsibilities include the following:

1. Ensure that the scope of the internal and external audits are adequate and that due emphasis is placed on areas where the Audit Committee, Department Heads, Director of Finance, and auditors believe that attention is necessary.
2. Approve, guide, and monitor the internal audit function within the County.
3. Critically analyze and follow-up any internal or external audit report that calls into question the adequacy or effective operation of internal control systems and procedures.
4. Be informed by the Internal Auditor of investigations of suspected cases of fraud or negligent accounting within the governmental agencies of the County.
5. Ensure there is no interference being placed upon either the internal or external auditors. In addition, provide the support for the internal and external auditors to aid them in the ability to maintain the effect and appearance of independence.
6. Review the Department of Finance's recommendation for appointment or changes of the County's external auditors.

### **5.11.04 Philosophy**

The philosophy of the Audit Committee shall be one of cooperative association between the Audit Committee, Board of Supervisors, Director of Finance, and Internal Auditor. In addition, the philosophy mandates that all audits, findings, and recommendations will be addressed and implemented based upon the determination of benefits exceeding costs.

### **5.11.05 Authority**

The Committee exists and operates as a result of action taken by the Glenn County Board of Supervisors on June 8, 1982, Minute Order 23.

### **5.11.06 Professional Care**

This Committee will be exposed to various confidential audits, reports, and recommendations. It is incumbent on each member to maintain confidentiality when speaking to non-committee members about issues that have been disclosed in the closed sessions (according to provisions of the Brown Act) but are yet to be resolved.



**5.11.07 Meetings**

The Audit Committee shall meet at least once every three (3) months during the normal scope of operations. However, when the need arises (e.g. new Internal Auditor on staff), meetings will be on more of a frequent basis to allow completion of tasks and reformation of the Committee.

For each upcoming meeting, the Internal Auditor shall prepare an agenda and make copies of relevant documents to be addressed at the meeting. This packet of information will be sent to Committee members at least one week in advance of the meeting.

**5.11.08 Minutes**

Minutes will be kept by the Internal Auditor and sent out to Committee members in the agenda package previous to the next meeting. The minutes will be reviewed and approved at the following meeting.

## **CHAPTER 5.12 IMPREST CASH FUNDS**

*5.12.01 Purpose*

*5.12.02 Accountability*

*5.12.03 Replenishment*

*5.12.04 Cash Difference Fund*

*5.12.05 Cash Overage*

*5.12.06 Audits*

### **5.12.01 Purpose**

Imprest Cash (an advance from County funds to enable an officer to discharge his or her duties) is available to many departments upon Resolution of the Board of Supervisors. Imprest Cash is for specified purposes which must be stated at the time of request (e.g., making change, making small purchases, freight due, postage due).

### **5.12.02 Accountability**

Strict accounting is required for all Imprest Cash funds. The department head is accountable at all times for the specified amount of cash.

### **5.12.03 Replenishment**

To replenish Imprest Cash, a County claim supported by receipts for the amount to be received shall be filed. At the time of replenishment, a charge shall be made by the Finance Director to the budget unit of the department for actual expenditures.

### **5.12.04 Cash Difference Fund**

A "Cash Difference" Fund may be established for County officers for use in making change, and to account for clerical errors in making change. Government Code Sections 29370 et seq., cover the establishment and use of such fund.

### **5.12.05 Cash Overage**

Any cash received in error or from unknown sources shall be deposited immediately into a cash overage fund in the County Treasury.

### **5.12.06 Audits**

Each officer shall upon demand of the Finance Director or the Board of Supervisors give an account of the cash difference fund in his or her charge.

## **CHAPTER 5.13 PAYROLL PROCEDURES**

- 5.13.01 Introduction*
- 5.13.02 Categories of Employees*
- 5.13.03 Personnel Function*
- 5.13.04 Timekeeping Function*
- 5.13.05 Preparing the Payroll Time Sheet*
- 5.13.06 Payroll Function*
- 5.13.07 Distribution*

### **5.13.01 Introduction**

The payroll process consists of four primary functions: personnel, timekeeping, payroll, and distribution.

- a. The personnel function includes hiring, establishing wages and salaries, authorizing salary adjustments or other personnel changes, and processing terminations.
- b. The timekeeping function includes collecting employee time and attendance data and preparing the input necessary for the payment process.
- c. The payroll function includes entering authorized transactions into the automated accounting system, calculating the pay due, generating the payments, and payroll accounting and reconciliation.
- d. The distribution function includes issuing pay notices and direct deposit advices.

### **5.13.02 Categories of Employees**

- a. Salaried employees are those designated as Federal Labor Standards Act (FLSA) exempt. These employees do not earn overtime or compensatory time off (CTO)
- b. Hourly employees may earn overtime or compensatory time off and are required to account for each hour scheduled to work.

### **5.13.03 Personnel Function**

The Personnel Department authorizes the formal transactions to hire new employees, adjust salaries or wages, and promote, transfer, and terminate employees in accordance with policies established by the Board of Supervisors.

In order to promote adequate internal controls, the Personnel Department must be organizationally separate and distinct from the payroll office, and must not have access to or exercise control over the primary timekeeping records, and must not be authorized to enter or change timekeeping data.

### **5.13.04 Timekeeping Function**

A fundamental timekeeping principle is that attendance be recorded promptly. The primary timekeeping document for recording hours and computing total time worked is the daily attendance report, which may take a variety of forms, such as a time card or time sheet or may be in electronic format. This document may be used for both salaried and hourly employees.

- a. Salaried employee information should only be those exceptions to the normal work day, such as sick leave or vacation hours taken. A Department Head may choose to waive the requirement for submitting an attendance report for salaried employees with no exceptions for the pay period.
- b. Hourly employee information should include hours worked, overtime or CTO earned, and sick leave, vacation, or other paid time off.

Every attendance report must be signed and dated by the employee, and reviewed and initialed by their supervisor indicating approval of the hours indicated. Attendance reports must never be returned to the employee after supervisor's approval.

### **5.13.05 Preparing the Payroll Time Sheet**

Payroll Time Sheets are transmitted to the individual departments by the Department of Finance, and should be pre-printed with the authorized employees based on the previous pay period. Individual departments are responsible for transferring the information from the attendance report to the Payroll Time Sheet. Only exceptions are to be reported. The last page of each department's Payroll Time Sheet includes a legend of hour codes to be used for the exception reporting.

Hours of sick leave, annual leave, vacation, and CTO used/earned must be entered in the appropriate columns for each employee.

Any exceptions reported are to be calculated using the appropriate pay rates and totaled for the pay period. Total normal

gross pay plus the exception amounts are to be entered into the box marked “Total Employee Gross” for each employee.

The final page of the Payroll Time sheet must summarize total gross pay for department, and totals of paid leave used or earned.

The final page must be authorized by department head or their designee’s signature.

Payroll Time Sheets are due in the Department of Finance based on deadlines established by the Department of Finance.

#### **5.13.06 Payroll Function**

The Payroll Division of the Department of Finance will enter all Payroll Time Sheet information into the automated accounting system. The system will generate direct deposit advices for all employees.

The Payroll Division also creates and modifies voluntary deductions, changes in withholding status, and applies garnishments as required by law. Additionally, the Division allocates the cost of employees to the appropriate departmental accounts, maintains time and leave records, posts accruals and deductions, and prepares appropriate reports and makes payment for the state and Federal government requirements, as well as for retirement, health, deferred compensation, and other benefit programs.

#### **5.1307 Distribution**

Each payday, direct deposit advices and paychecks will be available at the Department of Finance at 9:00 am. Each department’s package will include the Payroll Time Sheets for the next pay period and a “Salaries and Benefits Report” for the current pay period. Department heads or their designees should scan the Salaries and Benefits report for obvious errors, and should periodically review the direct deposit advices for reasonableness, excess accruals, nonexistent employees, and unusual presentation.

Direct deposit advices should only be delivered to the employee.

## **CHAPTER 5.14 TRUST ACCOUNTS**

*5.14.01 Bank Trusts*

*5.14.02 Special Trust Funds*

### **5.14.01 Bank Trusts**

Trust moneys received by County officers shall be deposited in a commercial bank account ONLY upon prior approval of the Board of Supervisors and the County Finance Director. Moneys deposited in a bank trust account shall be cleared as soon as possible.

### **5.14.02 Special Trust Funds**

All trust funds and accounts established by, for, at the request of, or on behalf of a county officer shall be the responsibility of that officer and that officer shall be strictly accountable for the trust fund. Bank accounts will be reconciled monthly and a copy of that reconciliation will be transmitted to the Internal Auditor.

## **CHAPTER 5.15 GRANTS POLICY**

- 5.15.01 Definition of Grant*
- 5.15.02 Application Process*
- 5.15.03 Grant Awards*
- 5.15.04 Requests for Payments from Grantors*
- 5.15.05 Inventory of Grants*
- 5.15.06 Compliance of Programs*

### **5.15.01 Definition of Grant**

For the purpose of this policy, a grant is generally defined as a financial subsidy from a source other than the County which is intended to fund a specific use, program, or project, typically has a defined term, and requires the County to administer the grant and/or carry out the defined use, program, or project. For the purposes of this policy, the definition of a grant does not include on-going State and Federal subventions.

### **5.15.02 Application Process**

A proposed grant application package shall be submitted to the Board for approval which will include:

- A. The amount of the County match and the fund from which it will be financed;
- B. The impacts, if any, the grant project will have on other County departments, agencies, programs, or projects;
- C. Whether the grant proposal is the direct result of a legislative or judicial mandate;
- D. If a grant program will incorporate long term financial support from non-County sources;
- E. If a grant proposal is for a one-time project or will ultimately require additional County general funds;
- F. The purpose and benefit of the grant; i.e., how the grant will enhance an existing program or current resources or generate cost savings;
- G. A completed Grant Information Record using estimated costs which have been reviewed by the Department of Finance.

The Board may either approve or deny the department's request to submit the proposed grant application.

### **5.15.03 Grant Awards**

Upon successful award of a grant, the department shall submit an agenda item to the Board of Supervisors for its approval and appropriation of the funds. Requests for approval of applicable budget transfers, position allocation requests, and authority to fill positions should be included in the report.

The report shall include a statement that there will be no obligation or commitment to continue the program with County general funds after the end of the grant period, or commitment for a department to fund on-going requirements from existing programs and resources.

Further, the report shall include a statement that any new positions authorized by the grant shall be for the grant period only. Positions so created will be removed from the list of authorized positions when the grant ends.

### **5.15.04 Requests for Payments from Grantors**

All requests shall be approved by the Department of Finance prior to submitting them to the granting agency.

- A. Requests will be sent to the Department of Finance with either:
  - a reconciliation of the request to the County general ledger, or;
  - another form of reconciliation previously approved by the Department of Finance.

B. The Department of Finance will review the request and return it to the department.

In lieu of this process, a department or agency may request that the Department of Finance review and approve the funding request processes within that department or agency. Upon approval, copies of funding requests may be delivered to the Department of Finance no later than 10 days after the request has been sent to the granting agency. The Department of Finance will periodically review the process of the departments to insure consistency.

**5.15.05 Inventory of Grants**

The Department of Finance shall maintain a grants inventory that complies with the requirements of the State Controller's Office.

**5.15.06 Compliance of Programs**

It is the policy of Glenn County to operate its programs in compliance with all federal, state, and local laws and regulations, including, but not limited to, OMB Circular A-133. The Office of Management and Budget (OMB) Circular A-133 sets forth those standards for obtaining consistency and uniformity among Federal agencies for the audit of states, local governments, and non-profit organizations expending Federal funds.

## **CHAPTER 5.16 PAYMENT OF CLAIMS**

- 5.16.01 Claim Forms*
- 5.16.02 Filling Out Forms*
- 5.16.03 Authorized Signatures*
- 5.16.04 Payment by Finance Director*
- 5.16.05 Liability*
- 5.16.06 Finance Directors Quarterly Budget Reports*
- 5.16.07 Transfers of Appropriations*
- 5.16.08 Operating Fund Equipment*

### **5.16.01 Claim Forms**

Official claim forms for the payment of claims against the County shall be furnished to each department by the County Finance Director.

### **5.16.02 Filling Out Forms**

To insure proper payment of County claims, each claim shall be completed pursuant to the instructions on the claim form. The lower portion of the claim concerning budget charges shall be completed and the form shall be signed where provided. Claims, properly completed and approved, shall be accompanied by completely itemized invoices and purchase orders when used.

### **5.16.03 Authorized Signatures**

Claims shall be signed by the head of a department or by a deputy or an assistant as authorized by the department head. such authorization for a deputy or an assistant to approve the payment of claims shall be in writing and on file in the office of the Finance Director.

### **5.16.04 Payment by Finance Director**

Except as provided herein, payment shall be made only upon proper billing by invoice from a vendor, and shall be made only to the vendor. The Finance Director may make advance payments to a vendor in an amount not to exceed \$100 without an invoice provided that evidence of price, vendor, and product is satisfactorily made to the Finance Director by the Department Head. Employees may be reimbursed for payments made to a vendor upon proper evidence of payment and approval by the Department Head and the Finance Director.

### **5.16.05 Liability**

Government Code Section 29121 provides that: "Except as otherwise provided by law, warrants issued, expenditures made, or liabilities incurred in excess of any of the budget appropriations are not a liability of the County or special district, but the official making or incurring the expenditure in an amount known by him or her to be in excess of the unencumbered balance of the appropriation against which it is drawn is liable therefor personally and upon his or her official bond."

### **5.16.06 Finance Directors Quarterly Budget Reports**

The County Finance Director shall, not less than quarterly, provide a detailed budget report to each department head for each budget unit under the control of such department head.

### **5.16.07 Transfers of Appropriations**

All requests for transfer of appropriations are to be delivered to the Department of Finance for processing.

The County Finance Director shall make such transfer of appropriations within the "Services and Supplies" object and sub-objects of accounts, upon request of the department head.

Transfers between Objects within the same Department:

Transfers between objects within the same department in amounts of \$10,000 or less require approval of the Department of Finance. Such transfers over \$10,000 require approval of the Board of Supervisors and will be placed on the Board Agenda.

All transfers increasing or decreasing the total of the Salaries and Benefits Object must be accompanied by either an



approved Salary Action Form for the affected employee(s), an approved AIT changing the departmental allocation, or a staff report stating why the Salary Action or allocation change is not required.

Transfers requesting the use of Contingency:

The contingency fund, by definition, should only be used for unforeseen expenditures and emergencies. All requests for Contingency funds must be approved by a 4/5 vote of the Board of Supervisors. Requests for amounts in excess of \$100 will require the Department Head to appear before the Board. All requests for Contingency will be accompanied by a staff report from the requesting department indicating:

- The circumstances surrounding the unforeseen expenditure or emergency
- Any mandates that are required that cannot be met if the request is not granted
- All alternative revenue sources available to the Department head, including grants, trust revenue, and unanticipated revenue
- Reasons why other appropriations and revenue sources cannot be transferred to address this need.

Additionally, the Department of Finance will analyze the request and attach a report either recommending the transfer or recommending denial of the use of the contingency and the reasons therefore.

Transfers of Appropriations between Departments:

All transfers of appropriations effectively cancel the appropriation in one department, transfer the amount to the contingency balance, and then transfer the amount from contingency to the second department. Such requests must be accompanied by a departmental staff report detailing the reduced requirement in one department and the increased need in another. These actions require approval by 4/5 vote of the Board of Supervisors.

Transfers appropriating Unanticipated Revenue:

All requests for Appropriations of Unanticipated Revenue must be approved by a 4/5 vote of the Board of Supervisors. Staff reports should accompany such requests that indicate whether:

- The unanticipated amounts are from new sources to fund new programs or increased level of activity in current programs; or
- The unanticipated amounts are mandated for use in the appropriation requested; or
- The total of all estimated revenues for the department have been received in the aggregate.

#### **5.16.08 Operating Fund Equipment**

Cost of maintenance of equipment shall be a charge to a County operating fund only if such equipment has been purchased by or donated to a County operating fund. County operating funds are those funds authorized and listed in the "Accounting Standards and Procedures for Counties" manual and under the control of the Board of Supervisors. Such funds are also listed on Schedule I of the annual budget of the County.

## **CHAPTER 5.17 ANTI-FRAUD POLICY**

- 5.17.01 Policy
- 5.17.02 Purpose
- 5.17.03 Definitions
- 5.17.04 General
- 5.17.05 Internal Procedures for Reporting Workplace Wrongdoing
- 5.17.06 Investigation and Action
- 5.17.07 Management Responsibilities

### **5.17.01 Policy**

The County's policy related to workplace fraud is to identify and promptly investigate any possibility of any fraudulent activity against the County and take appropriate action, including the pursuit of legal remedies available under the law.

### **5.17.02 Purpose**

This policy has been established to ensure employees are aware of the following: (1) the types of acts considered to be fraudulent, (2) procedures for reporting suspected fraudulent acts, (3) steps to be taken when fraud or other related dishonest activities are suspected, and (4) consequences to expect when a dishonest act is reported. Further, this policy delineates management's responsibility for instituting and maintaining a system of internal control to prevent and detect fraud, misappropriations and other irregularities, and to be alert for any indications of such misconduct.

### **5.17.03 Definitions**

A. Fraud – Fraud and other similar irregularities include but are not limited to:

1. Claim for reimbursement of expenses that are not job-related or authorized by the current Purchasing Policy, Travel Policy and/or applicable Memorandum of Understanding.
2. Forgery or unauthorized alteration of documents (checks, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, etc.).
3. Misappropriation of County assets (funds, securities, supplies, furniture, equipment, etc.).
4. Improprieties in the handling or reporting of money transactions.
5. Authorizing or receiving payment for goods not received or services not performed.
6. Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of County-owned software.
7. Misrepresentation of information on documents.
8. Any apparent violation of Federal, State, or local laws related to dishonest activities or fraud.
9. Seeking or accepting anything of material value from those doing business with the County including vendors, consultants, contractors, lessees, applicants, and grantees. Materiality is determined by the County's Conflict of Interest Code which incorporates the Political Reform act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Admin. Code Sections 18100 et seq.), and any amendments to the Act or regulations.
10. Using County equipment, supplies, property, or funds for purposes unrelated to County business.

B. Employee – In this context, employee refers to any individual or group of individuals who receive compensation, either full- or part-time, from the County. The term also includes any volunteer who provides services to the County through an official arrangement with the County or a County organization.

C. Manager or Management – In this context, manager or management refers to any administrator, manager, director, supervisor, or other individual who manages or supervises funds or other resources, including human resources.

### **5.17.04 General**

It is the County's intent to fully investigate any suspected acts of fraud, misappropriation, or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, length of service or relationship with the County of any party who might be or become involved in or becomes the subject of such investigation.

#### **5.17.05 Internal Procedures for Reporting Workplace Wrongdoing**

- A. Employees can report wrongdoing in a safe and confidential manner, and without fear of retaliation, as follows:
1. If an employee is aware of any acts of wrongdoing, an employee is encouraged to discuss his or her complaint with his or her immediate supervisor.
  2. If an employee is unable to discuss the complaint with his or her immediate supervisor or if his or her immediate supervisor is the source of the problem, condones the problems or ignores the problem, the employee should immediately contact his or her Department Head.
  3. If neither of the above alternatives is satisfactory the employee should immediately contact the Director of Finance regarding their complaint.
  4. Where it is suspected that the wrongdoing was committed by the Director of Finance, Chairman of the Board of Supervisors should be contacted.

In no circumstances is an employee required to confront the person who is the source of the complaint before notifying any of the individuals listed above.

B. Employees will be granted whistle-blower protection when acting in accordance with this policy. When informed of a suspected impropriety, neither the County nor any person acting on behalf of the County shall:

1. Dismiss or threaten to dismiss the employee reporting the impropriety
2. Discipline, suspend, or threaten to discipline or suspend that employee
3. Impose any penalty upon that employee
4. Intimidate or coerce an employee for that employee's role in reporting the suspected impropriety.

This section is intended to protect employees from retaliation for reporting suspected improprieties. It shall not be construed as absolving an employee of responsibility for his or her own fraudulent activity; any such fraudulent activity shall be subject to disciplinary and/or legal action.

Violations of the whistle-blower protection will result in discipline up to and including dismissal.

#### **5.17.06 Investigation and Action**

A. The Department Head shall review the reported activity and determine whether the activity may constitute fraud as defined in Section 5.17.03.

B. The Department Head shall inform the Director of Finance and the Personnel Director of suspected activity involving fraud or related dishonest activity.

C. The Department Head and Director of Finance will determine how best to investigate the suspected activity.

D. At the conclusion of the investigation, the investigator will report to the Department Head, Director of Finance, and Personnel Director.

E. If evidence is uncovered showing possible dishonest or fraudulent activities, the Department Head, after conferring with the Director of Finance, will proceed as follows:

1. Meet with the Personnel Director (or his/her designated representative) to determine if disciplinary actions should be taken.
2. Coordinate with the County's Risk Manager regarding notification to insurers and filing of insurance claims.
3. Take immediate action, in consultation with County Counsel, to prevent the theft, alteration, or destruction of evidentiary records. Such action shall include, but is not limited to:
  - a. Removing the records and placing them in a secure location, or limiting access to the location where the records currently exist.
  - b. Preventing the individual suspected of committing the fraud from having access to the records
4. Refer the case to the District Attorney's Office for possible prosecution.

F. The Director of Finance, following review of investigation results, will determine whether additional internal control procedures are needed to reduce the potential for employee misconduct.

G. The County will pursue every reasonable effort, including court ordered restitution, to obtain recovery of County losses from the offender or other appropriate sources.

#### **5.17.07 Management Responsibilities**

A. The County will fully investigate any suspected acts of fraud, misappropriation, or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, length of service, or relationship with the County of any party who might be involved in or becomes the subject of such investigation.

B. Each department of the County is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud, misappropriation, and other irregularities. Management is responsible for being alert to, and reporting fraudulent or related dishonest activities in their areas of responsibility.

1. Each manager should be familiar with the types of improprieties that might occur in his or her area and be alert for any indication that improper activity, misappropriation, or dishonest activity is or was in existence in his or her area.
2. When an improper activity is detected or suspected, or when a manager receives a report of suspected activity from an employee, the manager shall inform his or her immediate supervisor and/or the Department Head.
3. Management shall support the County's responsibilities and cooperate fully with other involved departments and law enforcement agencies in the detection, reporting, and investigation of criminal acts, including the prosecution of offenders.
4. In dealing with suspected dishonest or fraudulent activities, great care must be taken. Therefore, management should avoid the following:
  - a. Incorrect accusations.
  - b. Alerting suspected individuals that an investigation is underway.
  - c. Treating employees unfairly.
  - d. Making statements that could lead to claims of false accusations or other offenses.
5. In handling dishonest or fraudulent activities, management has the responsibility to:
  - a. Avoid discussing the case, facts, suspicions, or allegations with anyone outside the County, unless specifically directed to do so by the Director of Finance.
  - b. Avoid discussing the case with anyone inside the County other than employees who have a need to know such as the Director of Finance, County Counsel, Personnel Director or law enforcement personnel.
  - c. Direct all inquiries from the suspected individual, or his or her representative, to the Director of Finance unless otherwise directed. All inquiries by an attorney of the suspected individual should be directed to County Counsel. All inquiries from the media should be directed to the Director of Finance.

## **CHAPTER 5.18 CONTRACTS, LEASES AND FRANCHISES**

- 5.18.01 Lease for County Use*
- 5.18.02 Payments*
- 5.18.03 Termination*
- 5.18.04 County Owned Real Property*
- 5.18.05 Collection of Rents and Royalties*

### **5.18.01 Lease For County Use**

Leases of real property for use by a county department may be granted only upon proper authority of the Board of Supervisors. Copies shall be filed with the County Clerk and the County Finance Director.

### **5.18.02 Payments**

Payment shall be made by the department to the lessor as specified by the lease.

### **5.18.03 Termination**

Notification of termination of such lease shall be made in writing by the department head (user) immediately upon termination. Notice shall be filed with the County Clerk and the County Finance Director.

### **5.18.04 County Owned Real Property**

When County owned real property is leased or sold, such shall be documented in writing and presented to the County Counsel for processing.

### **5.18.05 Collection of Rents and Royalties**

The County Finance Director shall be charged with the responsibility of the collection of all rents and royalties other than airport rents. He shall maintain control accounts on all accounts receivable from leases and franchises.

## **CHAPTER 5.19 IDENTITY THEFT POLICY**

*5.19.01 Purpose*

*5.19.02 Definitions*

*5.19.03 Identification of Red Flags*

*5.19.04 Detecting Red Flags*

*5.19.05 Responding to Red Flags*

*5.19.06 Oversight of Service Provider Arrangements*

### **5.19.01 Purpose**

The purpose of the Identity Theft Policy is to comply with 16 CFR § 681.2 in order to detect, prevent and mitigate identity theft by identifying and detecting identity theft red flags and by responding to such red flags in a manner that will prevent identity theft.

### **5.19.02 Definitions**

For purposes of this Identity Theft Policy, the following definitions apply:

- A. Covered account – A consumer account that the County (creditor) offers or maintains, primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions, such as a credit card account or mortgage loan, or a consumer account that allows payments subsequent to the provision of goods or services.
- B. Red Flag - A pattern, practice, or specific activity that indicates the possible existence of identity theft.

### **5.19.03 Identification of Red Flags**

All employees responsible for or involved in the process of opening a covered account, restoring a covered account or accepting payment for a covered account shall be on alert for red flags as indicators of possible identity theft and such red flags may include:

- A. Alerts from consumer reporting agencies, fraud detection agencies or service providers.
- B. Suspicious documents
- C. Suspicious personal identifying information
- D. Unusual use of, or suspicious activity related to, the covered account

Notice from the customer, law enforcement, victims, or other reliable sources regarding possible identity theft or phishing related to covered accounts.

### **5.19.04 Deleting Red Flags**

In order to facilitate detection of the Red Flags, employees should take the following steps to obtain and verify the identity of the person when there is a reasonably foreseeable risk to personally identifying information:

- A. New Accounts
  - 1. Require identifying information (e.g., full name, date of birth, address, government issued ID, insurance card, etc.)
- B. Existing Accounts
  - 1. Verify validity of requests for changes of billing address
  - 2. Verify identification of customers before giving out any personal information
- C. Credit Cards
  - 1. Check a photo I.D.
  - 2. Compare signature to the signature on the photo I.D.
  - 3. If presented over the phone, request the validation code (3-digit code on the back of the card)

### **5.19.05 Responding to Red Flags**

Once potentially fraudulent activity is detected, gather all related documentation and write a description of the situation. Present this information to the Supervisor, who in their discretion, shall determine whether such red flag or combination of red flags suggest a threat of identity theft.

- A. The designated authority will complete additional authentication to determine whether the attempted transaction was fraudulent or authentic.

B. If, in the discretion of the Supervisor, it is determined that identity theft or attempted identity theft is likely or probable, appropriate actions must be taken immediately. Actions may include:

1. Denying the application or canceling the transaction;
2. Requesting additional identifying information from the customer/client/applicant;
3. Notifying and cooperating with appropriate law enforcement;
4. Determining the extent of liability of the County; and
5. Notifying the actual customer that fraud has been attempted.
6. Making the following changes to the account if, after contacting the customer, it is apparent that someone other than the customer has accessed the customer's account:
  - a. Change any account numbers, passwords, security codes, or other security devices that permit access to an account; or
  - b. Close the account
7. Taking other reasonably appropriate action to prevent or mitigate identity theft.

#### **5.19.06 Oversight of Service Provider Arrangements**

A. It is the responsibility of the County to ensure that the activities of all service providers are conducted in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft.

B. A service provider that maintains its own identity theft prevention program, consistent with the guidance of the red flag rules and validated by appropriate due diligence, may be considered to be meeting these requirements.

C. Any specific requirements should be addressed in the appropriate contract arrangements.

## **CHAPTER 5.20 VENDING MACHINES**

*5.20.01 Authorization*

*5.20.02 Terms*

*5.20.03 Notice*

*5.20.04 Unauthorized Machines*

*5.20.05 Finance Director's Supervision*

*5.20.06 Copies of Authorizations*

### **5.20.01 Authorization**

Vending machines may be installed on County owned property only upon specific authorization from the Board of Supervisors.

### **5.20.02 Terms**

Terms regarding the placement of a vending machine, length of time authorized, proceeds from the vending machine, the maintenance of the machine, charge for placement of such machine, shall be in writing and signed by the Board of Supervisors and the owner of the vending machine.

### **5.20.03 Notice**

A notice shall be attached to each vending machine, which shall state the name of the individual or company authorized to place the machine, the date of the authorization of the Board of Supervisors, and the length of time authorized.

### **5.20.04 Unauthorized Machines**

Vending machines not authorized under the terms of this section shall be removed from the premises.

### **5.20.05 Finance Director's Supervision**

The County Finance Director is directed to supervise and enforce the terms of this section and the terms of the authorization from the Board of Supervisors for each vending machine.

### **5.20.06 Copies of Authorizations**

Copies of authorizations from the Board of Supervisors shall be filed with the County Finance Director and with the County Clerk. Copies of any termination of such authorization shall be filed with the County Finance Director and the County Clerk.



## **CHAPTER 5.21 UTILITIES**

*5.21.01 Purpose*

*5.21.02 Intent*

*5.21.03 Objective*

### **5.21.01 Purpose**

It is the policy of the County to save monies, conserve resources, and establish standards against which the various agencies, departments, and special districts under control of the County should be held accountable wherever practicable, and when such action does not conflict with Federal, State or funding source requirements. In case of such conflict, the County's policy should be implemented unless the funding source requirement is more restrictive.

### **5.21.02 Intent**

To this aim, the County previously established the Information Services Coordinating Committee to consolidate, and standardize computer hardware and software purchase and usage. In a similar vein, utilities are the single largest expense that touch all agencies, departments, and special districts under control of the County. Utilities are defined for this purpose to include electricity, gas, water, phone/fax, and information network services. Therefore to further this policy, all agencies, departments, and special districts under control of the County will, rather than making individual claims for payment of utilities, forward the billings to the Department of Finance for payment consolidation and disbursement.

### **5.21.03 Objective**

The Department of Finance will check for duplicate billings, pay the vendors, and utilizing the best metrics available to distribute the expense to the various agencies, departments, and special districts under control of the County. Such metrics may include, but are not limited to, individual bills, known usage, individual meters, devices, drops, population, and square footage.

The Department of Finance will periodically have utility audits performed to insure that the bills are proper, the rates charged are the lowest available, and will also compare actual results against predicted savings on any project undertaken to reduce such bills.

## **CHAPTER 5.22**

### **CHARGES TO OTHERS FOR SERVICES BY COUNTY PERSONNEL**

- 5.22.01 Service to Public Agencies*
- 5.22.02 Service to Non-Public Agencies*
- 5.22.03 Conflicts of Interest*
- 5.22.04 Charge for Services*
- 5.22.05 Board's Rights*

#### **5.22.01 Service to Public Agencies**

With the express permission of the Board of Supervisors, duly and regularly entered in its Minutes, and with the prior written approval of the supervisory department head involved or concerned, certain of the County's professionally or technically trained personnel may be permitted to render professional and technical services and assistance, under limited special circumstances as determined by the Board of Supervisors, to municipalities and special districts within Glenn County.

#### **5.22.02 Service to Non-Public Agencies**

With the express permission of the Board of Supervisors, duly and regularly entered in its Minutes, and with the prior written approval of the supervisory department head involved or concerned, certain of the County's professionally or technically trained personnel may be permitted to render professional and technical services and assistance, under limited special circumstances as determined by the Board of Supervisors, to certain persons, firms and corporations within the County of Glenn where such services and assistance are necessary or required in order for such person, firm or corporation to comply with special requirements promulgated by federal, state, county or municipal law, statutes, ordinances, rules or regulations, provided that such professional or technical skills and services are not otherwise available within the County of Glenn or in nearby communities.

#### **5.22.03 Conflicts of Interest**

Such permission under Sections 5.22.01 or 5.22.02, above, shall not be given by the Board of Supervisors or approval be given by the concerned supervisory department head in any case or situation which would involve or create a conflict of interest with the County of Glenn or where the regular and usual work product of the professional or technical employee for and on behalf of the County would be impaired or interfered with.

#### **5.22.04 Charge for Services**

Whenever such permission is granted by the Board of Supervisors, it shall require the municipality, special district, person, firm or corporation requesting such services to reimburse the County at an hourly rate which is not less than all direct and indirect costs to the County, and which rate shall be recommended as to each request by the Finance Director in accordance with the cost system of the County. The manner of payment, including advance deposits, may be prescribed by the Finance Director.

#### **5.22.05 Board's Rights**

Nothing contained in this Chapter shall be deemed to be in derogation of the right of the Board of Supervisors to negotiate and enter into any special Contract or agreement with any public agency, person, firm or corporation which may be in conflict with the provisions hereof.

## **Chapter 5.23 Glenn County Master Fee Schedule**

*5.23.01 Intent*

*5.23.02 Maintenance of the Master Fee Schedule*

*5.23.03 Department Responsibilities*

*5.23.04 Annual Review of Fees*

*5.23.05 Fee Revisions*

*Appendix A - Master Fee Schedule*

### **5.23.01 Intent**

The Master Fee Schedule is established:

- A. To provide easier access to and a better understanding of all fees charged by the County of Glenn, the Board of Supervisors, departments and other agencies, and citizens; and
- B. To adopt fees that will reflect the cost of services provided by the personnel, facilities, or equipment of the County of Glenn; and
- C. To ensure that the taxes paid by the citizens of Glenn County are not being used to subsidize fee related services the County is providing to others; and
- D. To provide for the annual and/or semi-annual revision of the fees.

### **5.23.02 Maintenance of the Master Fee Schedule**

The Department of Finance is responsible for the general maintenance and control of the Master Fee Schedule, including, but not limited to:

- A. Maintaining the Master Fee Schedule, after it has been established by the Board of supervisors; and
- B. The review of all requests for addition to, deletion of, or modification of fees or policy in the Master Fee Schedule; and
- C. Reviewing adopted and proposed fees to insure that the fees charged actually reflect the cost of services provided by personnel, facilities, or equipment of the County, to insure that the taxes paid by the citizens of Glenn County are not being used to subsidize fee related services the County is providing to others.

### **5.23.03 Department Responsibilities**

All departments that charge fees to the public should strive to accomplish the objectives of the Master Fee Schedule and are responsible for:

- A. Including all fees that are charged to the public in the Master Fee Schedule; and
- B. Proposing fees that reflect the cost of services provided by the County; and
- C. Ensuring that any fees limited by State law are properly reflected in the Master Fee Schedule; and
- D. Providing for the annual and/or semi annual revision of fees; and
- E. Proposing changes in fees consistent with the intent of the Master Fee Schedule.

### **5.23.04 Annual Review of Fees**

- A. The Department of Finance shall be responsible for coordinating an annual review and updating the Master Fee Schedule in conjunction with preparation of the annual budget.
- B. The general purpose of this review and updating is to adjust fees to reflect the annual budget and to implement any

appropriate new fees. Although the need for new fees should be methodically considered during the annual update, new fees may be implemented and existing fees amended at any time during the year.

#### **5.23.05 Fee Revisions**

A. Any requested additions, revisions, or deletions of a fee item should be transmitted to the Department of Finance with the following information:

1. Fee description;
2. Proposed fee per unit;
3. Revenue impact;
4. Contact person information;
5. Justification for the requested addition or change;
6. If based on cost recovery, a calculation of the new or changed fee, and
7. Department head signature.

B. There are two procedures for revising the Master Fee Schedule: during the annual budget process and outside of the budget process.

1. During the budget process, as part of the Annual review, the Department of Finance will send each department their current applicable portion of the Master Fee Schedule.
  - (a) Departments shall review and return this Schedule with any modifications with above information.
  - (b) The Department of Finance will review and clarify the request for modification, assemble all requests, and prepare the necessary resolution changing the Master Fee Schedule for adoption by the Board at the time the Board approves the proposed budget.
2. To revise a fee outside of the budget process, the requesting department shall submit the above information to the Department of Finance. The Department of Finance will review and clarify the request and prepare the necessary Resolution changing the Master Fee Schedule for adoption by the Board.

## **CHAPTER 5.24 MISCELLANEOUS FISCAL POLICIES**

- 5.24.01 Endorsement Stamp*
- 5.24.02 Perpetual Inventory Record*
- 5.24.03 Selling of Supplies*
- 5.24.04 Non-County Money*
- 5.24.05 Telephone Control*
- 5.24.06 Taxes, Assessments, Penalties, Cancellations and Refunds*
- 5.24.07 Remodeling of County Offices*
- 5.24.08 Lost or Void Warrants*
- 5.24.09 Budgetary Control*
- 5.24.10 Budgetary Control – Overtime*
- 5.24.11 Fund Balance Policy*
- 5.24.12 Stale Payments and Refunds*
- 5.24.13 Unclaimed Payments and Refunds*
- 5.24.14 Superior Court Unclaimed Payments and Refunds*
- 5.24.15 De Minimis Unclaimed Payments and Refunds*
- 5.24.16 Delegation of Authority to Reduce Administrative Waste*

### **5.24.01 Endorsement Stamp**

A restrictive endorsement stamp "for deposit only to County Treasury" shall be obtained and used by all County Departments.

### **5.24.02 Perpetual Inventory Record**

A perpetual Inventory record shall be maintained on items such as Code books, maps, etc., being handled for sale by any department for the convenient use of the public.

### **5.24.03 Selling of Supplies**

Selling of stamps and other office supplies to employees or to the public is strictly prohibited.

### **5.24.04 Non-County Money**

Money not belonging to the County, but maintained in an office (e.g., employee coffee money, etc.) shall not be commingled with imprest cash or any money received in the normal operation of the department, but shall be kept in a separate area of the office or department and clearly identified.

### **5.24.05 Telephone Control**

Control shall be maintained by each department on long distance calls. Personal long distance calls are prohibited. Each department shall maintain adequate records of business calls made.

### **5.24.06 Taxes, Assessments, Penalties, Cancellations and Refunds**

A. The Glenn County Assessor shall be authorized to make corrections to the roll pursuant to Chapter 2 of Part 9 of Division 1 of the Revenue and Taxation Code without Board approval if such corrections will not decrease the amount of the taxes to be paid by more than \$2,500.00 per year.

B. The Glenn County Finance Director shall be authorized to order refunds of taxes without Board approval in any case in which the refund is due to a correction made by the Board of Supervisors or pursuant to paragraph (A) above.

### **5.24.07 Remodeling of County Offices**

Requests for remodeling of county offices not approved during budget sessions, must be approved by the Board of Supervisors after review and approval by the Building and Grounds Department.

#### **5.24.08 Lost or Void Warrants**

A. The Glenn County Finance Director is hereby authorized to issue new warrants to replace void warrants or lost or destroyed warrants pursuant to subdivision (b) of section 29802 of the Government Code without prior individual order of the Board of Supervisors.

B. Such authority is governed by the requirements of section 29802 of the Government Code.

#### **5.24.09 Budgetary Control**

Each department head is responsible for controlling his or her budget at a net county cost level.

A. Expenditures may not exceed appropriations.

B. Estimated revenues that fund all or part of department appropriations must be monitored by the department, and if shortfalls are predicted, the department must either reduce appropriations or determine other sources of revenue to make up for the estimated losses.

#### **5.24.10 Budgetary Control - Overtime**

Each department head is responsible for limiting overtime to amounts appropriated for the year.

A. Overtime shall be controlled at the sub-object level.

B. Director of Finance will notify department heads and the Board of Supervisors when overtime for the year is in excess of appropriation on a pro-rata basis.

C. Upon notification, department heads will appear before the Board of Supervisors to:

1. Explain the need for overtime in excess of appropriations; and
2. Proposed budget transfers that result in an increased appropriation for overtime.

#### **5.24.11 Fund Balance Policy**

A. Classification of Fund Balance

The Government Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Statement 54 is designed to improve financial reporting by establishing fund balance classifications that are easier to understand and apply. Basically, a hierarchy has been established clarifying the constraints that govern how a government entity can use amounts reported as fund balance. Statement 54 establishes the following five new fund balance classifications: Nonspendable, Restricted, Committed, Assigned and Unassigned.

1. Nonspendable Fund Balance includes amounts that are not in a spendable form or are legally or contractually required to be maintained intact (such as inventories or prepaid amounts). This category was traditionally reported as a “reserved” fund balance under the old standard.
2. Restricted Fund Balance includes amounts that can be spent only for specific purposes stipulated by external parties (such as creditors, grant providers or contributors) or by law. This category was traditionally reported as a “reserved” fund balance under the old standard.
3. Committed Fund Balance includes amount that can be used only for the specific purpose determined by the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action that imposed the constraint originally. The formal action must occur prior to the end of the reporting period. The amount which will be subject to the constraint may be determined in the subsequent period. This category was traditionally reported as a “designated” fund balance under the old standard.
4. Assigned Fund Balance is comprised of amounts intended to be used by the government entity for specific purposes that are neither restricted nor committed. Intent can be expressed by the Board of Supervisors or by an official or body to which the Board delegates the authority. Assigned fund balance can be used to eliminate a projected budgetary deficit in the subsequent year’s budget. This category was traditionally reported as a “designated” fund balance under the old standard.
5. Unassigned Fund Balance is the residual classification for the General Fund and includes all amount not contained in the other classifications. Unassigned amounts are technically available for any purpose. This category was traditionally reported as an “undesignated/unreserved” fund balance under the old standard. For financial reporting, only the General Fund can report a positive unassigned fund balance.

Committed, Assigned and Unassigned Fund Balances are Unrestricted Fund Balances.

#### B. Authority

1. The Glenn County Board of Supervisors is the highest level of decision-making authority for the classification of Committed Fund Balance. Designation of Committed Fund Balance must be done by Board resolution.

2. The Glenn County Board of Supervisors retains authority to designate Assigned Fund Balance. Designation of Assigned Fund Balance can be accomplished by board minutes, memorandum, the budget document, or any other method as determined by the Board of Supervisors.

3. The Director of Finance is authorized to evaluate existing fund balance classifications and reclassify them in accordance with Statement 54. For funds that are determined to fall within the “Committed Fund Balance” classification, the Board of Supervisors shall adopt a resolution before fiscal year-end to establish or re-establish the specified purpose for the funds. Committed Fund Balances must be re-established annually before fiscal year-end.

#### C. Fund Balance and Spending Priorities

1. To maintain the County’s credit rating and meet seasonal cash flow shortfalls, economic downturns or a local disaster, the budget shall provide for an anticipated fund balance for general government and enterprise fund types;

2. Fund Balance will be maintained to provide the County with sufficient working capital and a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing;

3. This policy considers restricted amounts to be spent before unrestricted fund balance when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed, assigned then unassigned amounts in that order will be spent when an expenditure is incurred for a purpose for which amounts in any of these unrestricted fund balance classifications could be used.

#### D. Minimum Fund Balance

1. In the annual budget, the Board of Supervisors will designate Assigned Fund Balance for Debt Service equal to at least one year of debt service payments.

2. The upper goal for the General Fund Unassigned Fund Balance is 15%, but not less than 5%, of the average final budgeted general fund appropriations for the preceding three fiscal years. This category will be identified as Unassigned Fund Balance;

3. Fund Balance in excess of the upper goal, may be considered to supplement “pay as you go” capital outlay expenditures or prepay existing debt; or for the following one-time or short-term purposes: restore funds advanced from the General Reserve in prior fiscal years; increase the General Reserve to its minimally established level; capital and technology improvements; reduction of unfunded liabilities, including retirement and retiree health obligations; debt retirement; productivity enhancements; cost avoidance projects; litigation; local match for grants involving multiple departments; and other purposes which are fiscally prudent for the County as identified and recommended by the County Department Heads and approved by the Board of Supervisors.

#### **5.24.12 Stale Payments and Refunds**

A payment or refund will be designated as “stale” if it is not been cashed by the recipient within six months of the most recent issuance date.

**5.24.13 Unclaimed Payments and Refunds**

A payment or refund designated stale will be canceled and reversed into a trust account. The original issuing department will be notified that the payment or refund has been canceled.

The original issuing department may reissue the payment or refund but must notify the Department of Finance that the payment or refund is a reissue. The original issuing department may also cancel the payment or refund to recoup the funds if they can provide sufficient evidence that the payment or refund should not have been originally issued.

Once a payment or refund has been reversed into a trust account the name of the payee and the amount due will be published on the County website. The payee will have a total of three years after issuance of the original payment or refund to claim their unclaimed property.

Sometime after three years from the original issuance date, the Department of Finance will attempt to contact the payee by mail. The letter will list the amount of unclaimed property, the date of the next legal advertisement, and steps to claim their property. Periodically throughout the year the County will publish a notice with the County appointed legal advertising servicer for two concurrent weeks alerting citizens to go to the County website and look at the list of unclaimed property. Forty-five days after the second notice is published unclaimed property will be reverted to the General Fund as established by Government Code Section 29802, sections 50050- 50057 with exception to payments and refunds originating from the Superior Court.

**5.24.14 Superior Court Unclaimed Payments and Refunds**

Superior Court Unclaimed Payments and Refunds will follow the same rules and procedures stipulated in Section 5.24.13 with the following exceptions that funds originating from the Superior Court will be reverted to the Trial Court Fund with exception to restitution payments. Restitution payments will be remitted to California Department of Corrections and Rehabilitation. The Forty-five day notice period stipulated in Section 5.24.13 is extended to Sixty days for claims related to Superior Court and Restitution payments as established by Government Code Section 68084.1.

**5.24.15 De Minimis Unclaimed Payments and Refunds**

Unclaimed property totaling in value of less than \$15 will be reverted to the County General Fund or the Trial Court Operating Fund after one year without public notice as established by Government Code Section 50055, and Section 68084.1.

**5.24.16 Delegation of Authority to Reduce Administrative Waste**

The Director of Finance has the Authority to act on behalf of the Board of Supervisors to perform the duties outlined in Title 05, Chapter 24, Sections 13, 14 and 15 of the County Administrative Manual for individual payments and refunds being reclaimed under \$5,000 as established by Government Code Section 50057.



## **CHAPTER 5.25 DEBT ISSUANCE AND MANAGEMENT POLICY**

- 5.25.01 *Introduction*
- 5.25.02 *Purpose*
- 5.25.03 *Debt Policy Objective*
- 5.25.04 *Acceptable Uses of Debt Proceeds*
- 5.25.05 *Standards for Use of Debt Financing*
- 5.25.06 *Types of Debt*
- 5.25.07 *Relationship to Capital Improvement Program and Operating Budget*
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- 5.25.09 *Internal Control Procedures*
- 5.25.10 *Amendment and Waives of Debt Policy*
- 5.25.11 *SB 1029 Compliance*

### **5.25.01 Introduction**

On May 29, 2018 the County Board of Supervisors of the County of Glenn (“County Board of Supervisors”) reviewed and considered this Debt Issuance and Management Policy (“Debt Policy”) of the County of Glenn and this Debt Policy was approved by action of the County Board of Supervisors on May 29, 2018. This Debt Policy provides guidelines for debt issuance, management and post-issuance related policies and procedures for the County. This Debt Policy may be amended by the County Board of Supervisors as it deems appropriate from time-to-time in the prudent management of the debt and financing needs of the County of Glenn.

### **5.25.02 Purpose**

The purpose of this Debt Policy is to establish guidelines and parameters for the effective governance, management and administration of debt and other financing obligations issued by the County of Glenn and its related entities (such as, but not exclusive to any entities for which the County Board of Supervisors serves as the governing board or legislative body). This Debt Policy is intended to improve and direct decision making, assist with the structure of debt issuance, identify policy goals, and demonstrate a commitment to long-term financial planning. Adherence to a debt policy helps to ensure the County of Glenn’s debt is issued and managed prudently in order to maintain a sound financial position and credit worthiness. When used in this Debt Policy, “debt” refers to all indebtedness and financing obligations of the County of Glenn and its related entities (together referred to as “County”).

### **5.25.03 Debt Policy Objective**

This Debt Policy is intended to comply with the requirements of Senate Bill 1029 (SB 1029), codified as part of California Government Code Section 8855(i), effective on January 1, 2017 and shall govern all debt undertaken by the County. The primary objectives of the County’s debt and financing related activities are to:

- A. Maintain the County’s sound financial position;
- B. Ensure the County has the flexibility to respond to possible changes in future service obligations, revenues, and operating expenses;
- C. Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the County;
- D. Minimize debt service commitments through efficient planning and cash management;
- E. Protect the County’s credit worthiness and achieve the highest practical credit ratings, when applicable; and
- F. Ensure the County is in compliance with all relevant State and Federal securities laws and other applicable laws and regulations.

### **5.25.04 Acceptable Uses of Debt Proceeds**

The County will consider the use of debt financing primarily for assets and capital projects only if the term of debt shall not exceed the asset(s) or project’s useful life or will otherwise comply with Federal tax law requirements. An exception to this long-term driven focus is the issuance of short-term instruments, such as tax and revenue anticipation notes, which are to be used for reasonable cash management purposes, as described below. Bonded debt should not be issued to finance normal operating expenses.

A. Long-Term Debt.

- i. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment, and land to be owned and/or operated by the County. Long-term debt financings are appropriate when any of the following conditions exist:
  - (1) When the project to be financed is necessary to provide basic municipal services;
  - (2) When the project to be financed will provide benefit to the County's constituents over a period of more than one year;
  - (3) When the total debt financing would not impose an unreasonable burden on the County and its taxpayers and/or ratepayers, as applicable; or
  - (4) When the debt is used to refinance outstanding debt in order to produce debt service savings or to benefit from debt restructuring.
- ii. The County may use long-term debt financings subject to each of the following conditions:
  - (1) The project to be financed has been or will be considered and approved by the County Board of Supervisors;
  - (2) The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%;
  - (3) The County estimates that sufficient revenues will be available to service the debt through its maturity; and
  - (4) The County determines that the issuance of the debt will comply with the applicable requirements of State and Federal law.

B. Short-term Debt. Short-term debt may be issued to provide financing for the County's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance the County's short-lived capital projects, such as undertaking lease-purchase financing for equipment.

C. Financings on Behalf of Other Entities. The County may also issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of the County. In such cases, the County shall take reasonable steps to confirm the financial feasibility of the project to be financed, the financial solvency of any borrower, and that the issuance of such debt is consistent with the policies set forth herein.

**5.25.05 Standards for Use of Debt Financing**

The County recognizes that there are numerous types of financing structures and funding sources available, each with specific benefits, costs, and risks. The County will consider debt issuance only in those cases where public policy, equity and economic efficiency favor debt financing over cash funding. Prior to the issuance of debt or other financing obligations, the County will carefully consider the overall long-term affordability of the proposed debt issuance by conducting an objective analysis of the County's ability to support additional debt service payments. The County will consider its long-term revenue and expenditure trends, the impact on operational flexibility and the overall debt burden on the taxpayers/ratepayers. The evaluation process shall include a review of generally accepted measures of affordability and will strive to achieve and/or maintain debt levels consistent with its current operating and capital needs.

**5.25.06 Types of Debt**

In order to maximize the financial options available to benefit the public, it is the County's policy to allow the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:

- A. Revenue Bonds/Certificates of Participation (COPs). Revenue Bonds and COPs are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue. Generally, no voter approval is required to issue this type of obligation but in some cases, the County must comply with proposition 218 regarding rate adjustments.
- B. Joint Powers Authority (JPA) Lease Revenue Bonds. As an alternative to COPs, the County may obtain financing through the issuance of debt by a joint exercise of powers agency with such debt payable from amounts paid by the County under a lease, installment sale agreement, or contract of indebtedness.
- C. General Obligation (GO) Bonds. GO Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. The California Government Code, Division 4, Chapter 4, Article 1 commencing with section 43600 authorizes cities to finance certain municipal improvements through GO bonds when a County determines the public interest and necessity demands the acquisition, construction or completion of such municipal improvements, including property or structures necessary or convenient to carry out the objects, purposes, and powers of a County. Examples of projects include but are not limited to libraries, parks, and public safety facilities. All GO bonds shall be authorized by the requisite number of voters in order to pass.

- D. Loans. The County is authorized to enter into loans, installment payment obligations, or other similar funding structures secured by a prudent source or sources of repayment.
- E. Special Assessment/Special Tax Debt. The County will consider requests from developers for the use of debt financing secured by property-based assessments or special taxes in order to provide for necessary infrastructure for new development under guidelines adopted by County Board of Supervisors, which may include minimum value-to-lien ratios and maximum tax burdens. Examples of this type of debt are Assessment Districts (ADs) and Community Facilities Districts (CFDs), also known as Mello-Roos Districts. In order to protect bondholders as well as the County's credit rating, the County will also comply with all State guidelines regarding the issuance of special tax or special assessment debt.
- F. Short-Term Debt. External short-term borrowing, such as commercial paper, Tax and Revenue Anticipation Notes (TRANS), and lines of credit, may be considered as an interim source of funding in anticipation of long-term borrowing and may be issued to generate funding for cash flow needs. The final maturity of the debt issued to finance the project shall be consistent with the useful life of the project. Short-term debt may also be used to finance short-lived capital projects such as lease-purchase financing for equipment. Internal short-term borrowings such as Teeter Plan and County Treasury Pool borrowings are allowed although they currently do not rise to the SB 1029 reporting criteria.
- G. Refunding Bonds. The County shall refinance debt pursuant to the authorization that is provided under California law, including but not limited to Articles 9, 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, as market opportunities arise. Refundings may be undertaken in order:
  - (1) To take advantage of lower interest rates and achieve debt service costs savings;
  - (2) To eliminate restrictive or burdensome bond covenants; or
  - (3) To restructure debt to lengthen the duration of repayment, relieve debt service spikes, reduce volatility in interest rates or free up reserve funds.

Generally, the County shall strive to achieve a minimum of 3% net present value savings. The net present value assessment shall factor in all costs, including issuance, escrow, and foregone interest earnings of any contributed funds on hand. Refundings which produce a net present value savings of less than 3% will be considered on a case-by-case basis. Upon the advice of the County Manager or the Finance Manager and with the assistance of a financial advisor and bond counsel, the County will consider undertaking refundings for other than economic purposes based upon a finding that such a restructuring is in the County's overall best financial interest.

The County may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

Debt shall be issued as fixed rate debt unless the County makes a specific determination as to why a variable rate issue would be beneficial to the County in that circumstance.

#### **5.25.07 Relationship to Capital Improvement Program and Operating Budget**

The County intends to issue debt for the purposes stated in this Debt Policy and the decision to incur new indebtedness should be integrated with the County Board of Supervisors-adopted annual Operating Budget and Capital Improvement Program Budget. Prior to issuance of debt, a reliable revenue source shall be identified to secure repayment of the debt and the annual debt service payments shall be included in the Operating Budget.

The County shall integrate its debt issuances with the goals of its Capital Improvement Program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the County's public purposes.

#### **5.25.08 Policy Goals Related to Planning Goals and Objectives**

This Debt Policy has been adopted to assist with the County's goal of financial sustainability and financial prudence. In following this Debt Policy, the County shall pursue the following policy goals:

- A. The County is committed to financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The County intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the County's annual Operating Budget;
- B. It is a policy goal of the County to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings, if applicable, and the lowest practical borrowing costs;
- C. It is a policy goal of the County to reduce the unfunded liabilities for employee pension and other post-employment

benefits (OPEB);

- D. The County will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges; and
- E. When refinancing debt, it shall be the policy goal of the County to achieve, whenever possible and subject to any overriding non-financial policy, minimum aggregate net present value debt service savings of at least 3% of the refunded principal amount.

#### **5.25.09 Internal Control Procedures**

When issuing debt, in addition to complying with the terms of this Debt Policy, the County shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The County will periodically review the requirements of and will remain in compliance with the following:

- A. Federal securities law, including any continuing disclosure undertakings under SEC Rule 15c2-12;
- B. Any federal tax compliance requirements including without limitation arbitrage and rebate compliance, related to any prior bond issues;
- C. The County's investment policies as they relate to the investment of bond proceeds; and
- D. Government Code section 8855(k) and the annual reporting requirements therein.

The County shall be vigilant in using bond proceeds in accordance with the stated purpose at the time that such debt was issued. The County Director of Finance or designee will monitor the expenditure of bond proceeds to ensure they are used only for the purpose and authority for which the bonds were issued.

#### **5.25.10 Amendment and Waivers of Debt Policy**

This Debt Policy will be reviewed and updated periodically as needed. Any amendments to this Debt Policy are subject to specific County Board of Supervisors approval.

While adherence to this Debt Policy is required in all applicable circumstances, on rare occasions there might be circumstances when strict adherence to a provision of this Debt Policy is not possible or not in the best interest of the County. If the County staff has determined that a waiver of one or more provisions of this Debt Policy should be considered by the County Board of Supervisors, it will prepare an analysis for the County Board of Supervisors describing the rationale for the waiver and the impact of the waiver on the proposed debt issuance and on taxpayers, if applicable. Upon a majority vote of the County Board of Supervisors, one or more provisions of this Debt Policy may be waived for a debt financing.

The failure of a debt financing to comply with one or more provisions of this Debt Policy shall in no way affect the validity of any debt issued by the County in accordance with applicable laws.

#### **5.25.11 SB 1029 Compliance**

SB 1029, signed by Governor Brown on September 12, 2016, and enacted as Chapter 307, Statutes of 2016, requires issuers to adopt debt policies addressing each of the five items below:

- A. The purposes for which the debt proceeds may be used. Section 4 (Acceptable Uses of Debt Proceeds) addresses the purposes for which debt proceeds may be used.
- B. The types of debt that may be issued. Section 6 (Types of Debt) provides information regarding the types of debt that may be issued.
- C. The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable. Section 7 (Relationship to Capital Improvement Program and Operating Budget) provides information regarding the relationship between the County's debt and Capital Improvement Program and annual Operating Budget.
- D. Policy goals related to the issuer's planning goals and objectives. Section 3 (Debt Policy Objective) and Section 8 (Policy Goals Related to Planning Goals and Objectives) address some of the County's policy goals and how this Debt Policy has implemented them.
- E. The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use. Section 9 (Internal Control Procedures) provides information regarding the County's internal control procedures designed to ensure that the proceeds of its debt issues are spent as intended.

This Debt Policy, as written, complies with and meets the requirements of SB 1029.